

Justification for Other than Full and Open Competition

1. IDENTIFICATION AND DESCRIPTION OF ACTION BEING APPROVED

The GSA, PBS, Design and Construction Division (9PC) is requesting authority to enter into a sole source contract with Stronghold Engineering Inc. under 41 U.S.C. 253(c)(2) Unusual and Compelling Urgency.

2. DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED

GSA has a requirement under the American Recovery and Reinvestment Act (ARRA) to design and construct a new energy efficient HVAC system at the Federal Building located at 300 North Los Angeles Street, Los Angeles, CA for the following floors: 1<sup>st</sup> South, 5<sup>th</sup>, 6<sup>th</sup>, and 8<sup>th</sup>.

The Federal Office Building at 300 N. Los Angeles Street was constructed in the mid 1960's. It is a 9 story building with a large floor plate (approximately 100,000 Square feet per floor). Each floor is served by two fan rooms (North and South) each of which contains two air handlers (interior and perimeter). The air handlers are of a constant volume dual duct type that circulates air to the spaces where zone mixing dampers blend air from the hot and cold deck to maintain space temperatures. This was a common system in the 1960's but is no longer used and would in fact not be allowed under current State Energy Codes. It is recommended that a single duct, Variable Air Volume (VAV) system, with local reheat coils (a common system in this area) be designed and constructed. This will reduce operating costs, and take less area within the structure.

The Bridging contractor shall perform all professional services necessary to take Design Development (35%) drawings from the A&E to 100% CD drawings and perform demolition and construction of the HVAC systems.

3. IDENTIFICATION OF STATUTORY AUTHORITY

41 U.S.C. 253(c)(2) - Unusual and Compelling Urgency

4. DEMONSTRATION THAT THE ACQUISITION REQUIRES USE OF THE AUTHORITY CITED

This project under the ARRA is on the list for award no later than 120 days from March 31, 2009 or the funding will be lost. Stronghold Engineering Inc ("SEI") is the General Contractor for the Comprehensive Seismic and Life/Safety Renovation Project at the Federal Building, 300 North Los Angeles Street, Los Angeles, CA. As such, they have completed extensive demolition and construction to this building for GSA as part of their existing seismic renovation project. This includes demolition and construction of ceiling grid and tile, supply and return grills, and lighting and abatement of hazardous material

under their original renovation contract effort. As part of the basement seismic upgrade project they were required to demolish and construct a new HVAC system in the basement for a gross 120,000 square feet area, which included office areas, workshops and detention rooms.

SEI, as the Bridging Contractor, is expected to take the 35% Design Development (DD) drawings received from CannonDesign to 100% Construction Design (CD). They are also expected to build out the new HVAC system for the 5<sup>th</sup> floor without impacting the start of asbestos abatement demolition for the duct work schedule while completing the 100% HVAC design for the 5<sup>th</sup> floor by July 2009. This will allow SEI to meet their existing schedule for the main seismic project and not delay the start of related activities. SEI will utilize the 100% CD drawings from the 5<sup>th</sup> floor as the basis for design of the remaining floors 6<sup>th</sup>, 8<sup>th</sup> and 1<sup>st</sup> south.

SEI is uniquely positioned to implement this effort within the 120 day period required to meet ARRA requirements for funding this upgrade. Failure to make a timely award to SEI will result in financial injury to GSA, and will also have a significant impact on the tenant agencies in the building. The injury to the Government/GSA will be ARRA funding will be returned for failure to meet commitments attached to ARRA funding. Another Bridging firm would require time to become familiar with this complex project and building, and also to obtain security clearances. The complexity of this project with construction taking place in phases, complex scheduling issues and movement of tenants warrants that 100% CD design and work be given to SEI.

In addition, part of the construction time table/schedule is the movement of tenant personnel out of existing work spaces into swing space, and back again to their existing work space once seismic renovation work has been completed. Any delay caused by another contractor unfamiliar with the project in meeting their commitment to GSA will cause GSA to miss commitments to its tenant agencies on move dates, causing them to cancel their agreements with GSA and delaying the project phasing sequence.

5. DESCRIPTION OF EFFORTS TO SOLICIT AS MANY OFFERS AS PRACTICABLE

Stronghold Engineering Inc is the best company to perform the 100% design and construction for the new HVAC systems on the remaining floors at 300 North Los Angeles Federal Building and overcome the unusual time constraints associated with ARRA funding. They are familiar with the existing building's condition and have extensive knowledge of the building. In addition, SEI has a unique perspective based upon their experience on this complex project, and this perspective will result in ensuring a timely project delivery.

6. DEMONSTRATION THAT THE ANTICIPATED COST WILL BE FAIR AND REASONABLE

Stronghold Engineering Inc will be held to existing hourly rates agreed to in the main construction contract and historical data from similar work on this project in the basement HVAC design. A government estimate will be performed by an independent professional estimating firm.

7. DESCRIPTION OF MARKET SURVEY CONDUCTED

None

8. OTHER FACTS SUPPORTING THE USE OF OTHER THAN FULL AND OPEN COMPETITION

Project schedule impact will occur on the 5<sup>th</sup> Floor if the associated HVAC Demolition as part of this Bridging design is not awarded to Stronghold Engineering Inc due to the learning curve necessary for another design build firm to become familiar with the project and complete the 100% CD design drawings within the allotted time. The existing project baseline schedule for the Seismic Repair and Alteration project now under way at 300 North Los Angeles Street is on track. The turnover of the 5th floor to SEI was on April 27, 2009. The 5<sup>th</sup> floor abatement has started and will continue for the next two months in the North half of the floor. If the 5<sup>th</sup> floor design is not complete by that time we will impact the Seismic project construction schedule and incur a \$6,500 per day delay.

9. LIST OF SOURCES THAT EXPRESSED AN INTEREST IN THE ACQUISITION

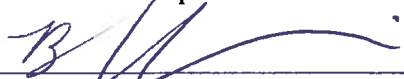
None

10. STATEMENT OF ACTIONS TO OVERCOME BARRIERS TO COMPETITION

None

11. CONTRACTING OFFICER'S CERTIFICATION

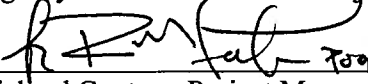
The Contracting Officer certifies that the information contained in this justification is accurate and complete to the best of her knowledge and belief. Upon the basis of the foregoing, the Contracting Officer hereby determines that within the meaning of 41 U.S.C. 253(c)(2), these services were of an unusual and compelling urgency and that the Government was permitted to enter into limited competition.

  
Beverly Chin  
Contracting Officer

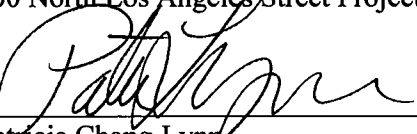
5/20/2009  
Date

CONCURRENCES


The following officials concur that the requirements are of an unusual and compelling urgency and that circumstances justify the use of sole source procurement.

  
Richard Couture, Project Manager  
300 North Los Angeles Street Project

5/28/09  
Date

  
Patricia Chang-Lynn  
Southern CA & Hawaii Project Executive (9PCS)

5/28/09  
Date

  
Catherine K. Lee  
Director, Design and Construction (9PC)

5/29/2009  
Date

  
Jewell Johnson  
Acquisition Executive (9PMA)

\_\_\_\_\_  
Date

  
Mary Filippini  
Acting Regional Commissioner  
Public Buildings Service (9P)

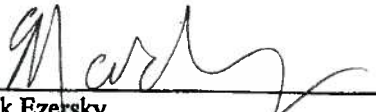
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Approved By:


  
Jeffrey Neely  
Acting Regional Administrator  
Pacific Rim Region (9A)

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Date

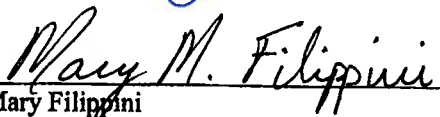
Justification for Other Than Full and Open Competition  
\*Recovery\*HVAC Demo & New Construction for floors 5, 6, 8 & 1<sup>st</sup> South &  
Upgrade Air Handler Units on remaining floors  
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Mark Ezersky  
Assistant Regional Counsel

5-29-09  
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Date

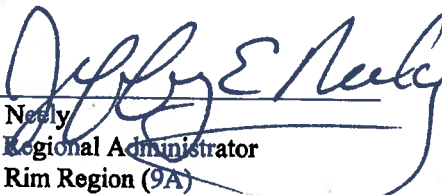
  
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Jewell Johnson  
Acquisition Executive (9PMA)

6/25/09  
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Date

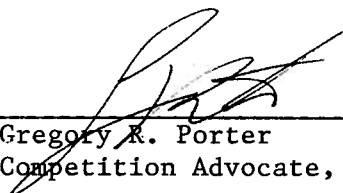
  
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Mary Filippini  
Acting Regional Commissioner  
Public Buildings Service (9P)

6/25/09  
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Date

Approved By:

  
\_\_\_\_\_  
Jeffrey Neely  
Acting Regional Administrator  
Pacific Rim Region (9A)

7/6/09  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Gregory R. Porter  
Competition Advocate, Region 9

7-27-2009  
\_\_\_\_\_  
Date